Inauguration Speech Arizona Corporation Commissioner Sandra Kennedy January 5, 2009

Removing Obstacles

Good morning. I am Sandra Kennedy and I am honored to serve as your new Commissioner. First off, I want to thank my family, friends and supporters; and to Commission staff, who work diligently to protect consumers, keep the lights on and make sure our telephones work.

I also want to thank those who voted for me, who had faith in my vision. I want to ask those who <u>didn't</u> vote for me for the chance to earn your respect. My door is always open. Transparency and accountability are my guiding principles.

This morning I'd like to share some ideas on how we can increase our own productivity and happiness, achieve energy independence, reduce our reliance on fossil fuels, and ensure all our citizens have internet access. We can remove many obstacles in our way.

We all juggle many roles. We may be analysts or administrative assistants, but we're also mothers, sons, Little League coaches, volunteers and home-makers. Polls tell us we don't have enough time with our families. So one of the initiatives I'm asking my fellow Commissioners to look at is telecommuting and the four-day work week for ACC staff.

A shorter work week will reduce commuting time, air pollution, absenteeism, child care costs and save us gas money, and we'll be happier too. Let's judge ourselves by productivity rather than hours logged in traffic, especially since studies show telecommuting gives us productivity gains of 10-40%.

This past summer, Republican Governor John Hunstman in Utah moved 17,000 workers to a four-day work week; and Arizona's Health Care Cost Containment System office has a successful telecommuting program. Our new light rail now gives some the option to take mass transit. The light rail ends downtown, but bus service can bring us closer to the ACC offices. Other innovative ideas have staff biking to work sites when possible.

Arizona also face obstacles in changing our energy infrastructure. We're getting beat by states like New Jersey, with twice as much installed solar PV. So while U.S. solar PV installations grew 50% from 2006 to 2007,² Arizona accounted for 4% of those installations. Cloudy Germany hosts over HALF of worldwide installed solar PV. We can also heat up our pools and fill our hot water heaters with power of the sun. Right now, Hawaii is the largest market in the U.S.

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¹ Burned Out: States Shorten Work Week to Save Gas, by Shelly Banjo, blog postings by Jeffrey Ball, June 27, 2008:

http://blogs.wsj.com/environmentalcapital/2008/06/27/burned-out-states-shorten-work-week-to-save-gas/

² U.S. Solar Market Trends 2007, by Larry Sherwood, the Interstate Renewable Energy Council, August 2008, pages 2, 4, 6 and 15.

for solar hot water. Our state can catch up, and innovations like Arizona Public Service's

280 MW CSP plant with thermal storage will get us there. we are delighted that the U.S. Congress extended federal solar tax incentives for eight years, and those tax credits will include utilities.

We're going to get there by using the cheapest resource of all, **energy efficiency**. At 1-3 cents/kWh, we can use efficiency to bridge the higher cost of solar power. And Arizona will get there by bringing all of us along, and making sure that our fixed-income seniors and low-income community are also served.

Unemployment has gone from about 4% to over 6%. We must look carefully at innovative programs around the country that will allow everyone, not just those with \$15,000 sitting around, to join the solar revolution and create a green economy. The jobs created by the solar revolution can serve as a bridge to reduce our unemployment rate.

We must also provide leadership on another precious resource – water – and give our citizens comprehensive **water** management. And every city and town in Arizona should have high-speed internet access.

None of these changes will be quick or easy, and there are many unanswered questions. But I am convinced we must move quickly, as we see the effects of

climate change around us, and our children and grandchildren will experience even greater climate changes.

Finally, I am honored to be the first African-American woman ever elected to a statewide Corporation Commission. I am humbled by what I <u>don't</u> know; and by the expertise and dedication of staff, my fellow Commissioners, the utilities, business interests, environmentalists and all of the parties who participate regularly at the ACC. I look forward to learning from each of you.

I promise to be open-minded, listen to all sides, and provide the open and transparent government Arizonans want and deserve. I'm proud of my record as a consumer advocate and voice for the under-served, and will continue to work on these issues. Thank you, and I look forward to working with you toward a brighter future for our state, our country, our children and our world.